



MANUFACTURING IN THE SAN JOAQUIN VALLEY

JENNIFER CARLSON, EXECUTIVE DIRECTOR
MANUFACTURERS COUNCIL OF THE CENTRAL VALLEY





**California-
Nation's Leading Ag Producing State**



“Golden State” of Manufacturing

California is also the nation’s leading industrial state and ranks first for almost every general manufacturing category. We are among the nation’s leading industries for machinery, fabricated metals, agricultural products, food processing, computers and aerospace technology. California is truly America’s “Golden State” for manufacturing!

San Joaquin Valley Region



Different regions of the State differ greatly in their manufacturing industries.

SJV Ag Manufacturing Cluster



SJV Core Ag Manufacturing

□ **Food and Beverage Processing**

- Dairy
- Wine
- Fruit and Vegetable
- Beverages
- Poultry
- Bakery & Snack Foods

□ **Packaging**

- Glass
- Metal Cans
- Plastic
- Paper

SJV Ag Manufacturing Sub-sectors

- ❑ **Packaging Materials**
- ❑ **Distribution**
- ❑ **Agricultural Machinery & Equipment**
- ❑ **AgTech & Bioenergy**
- ❑ **Water Technology**

Economics of Ag Manufacturing

Why Does Ag Manufacturing Matter in the SJV?

- ❑ Critical Part of the Economic Base
- ❑ Complement to CA's Ag Production Sector
- ❑ Provides High-wage Jobs
- ❑ Promotes Growth, Innovation and Investment
- ❑ Opportunity for Integration & Insourcing

Key Economic Impacts

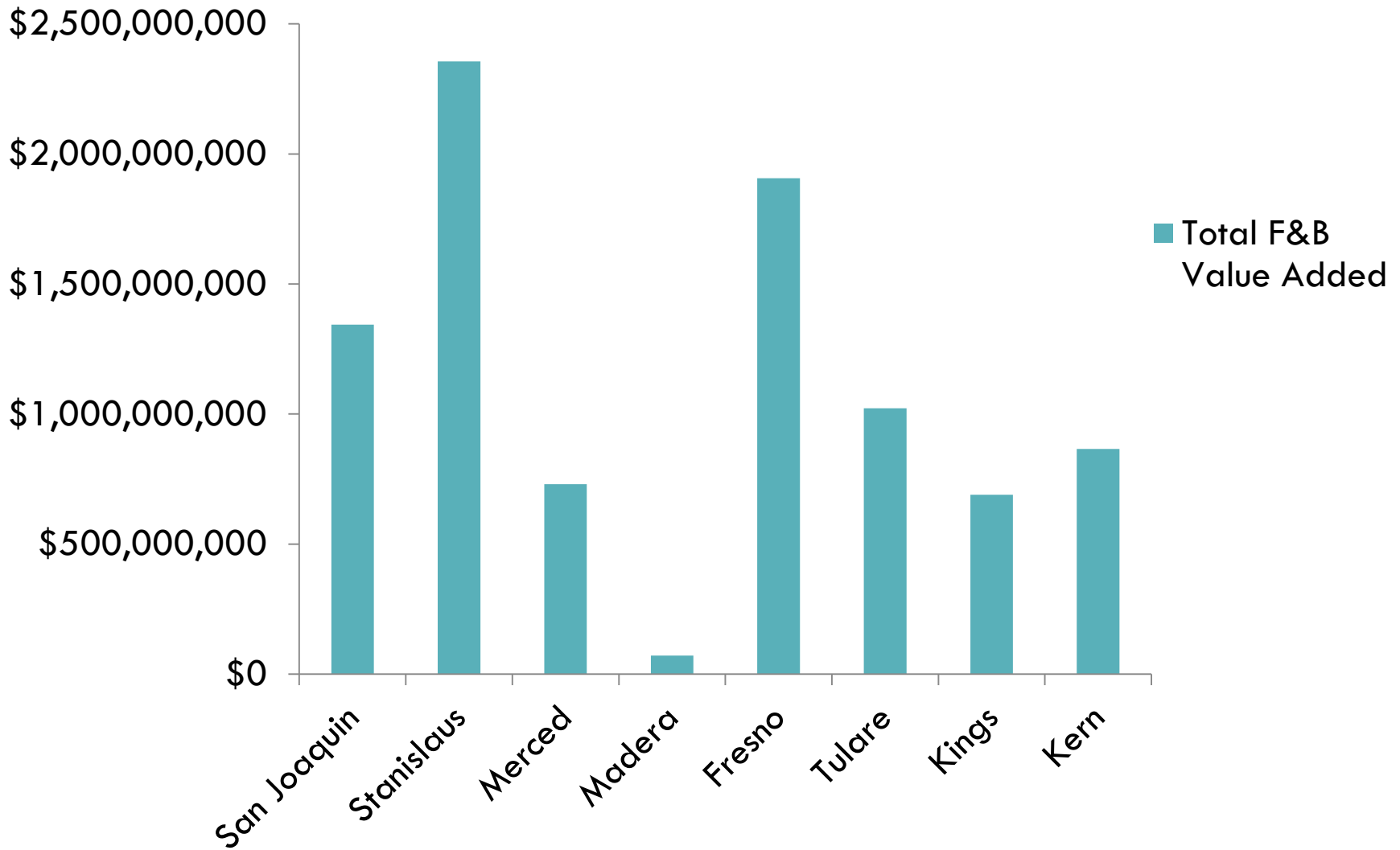
Food & Beverage Processing

SJV Food & Beverage Processing Sector

Value Added

- ❑ \$4.7 Billion in Direct Value Added
- ❑ \$4.2 Billion in Additional Value Added
through indirect and induced impacts
- ❑ \$8.9 Billion Total Value Added
- ❑ Value Added Multiplier of 1.85

Sector Value Added by County



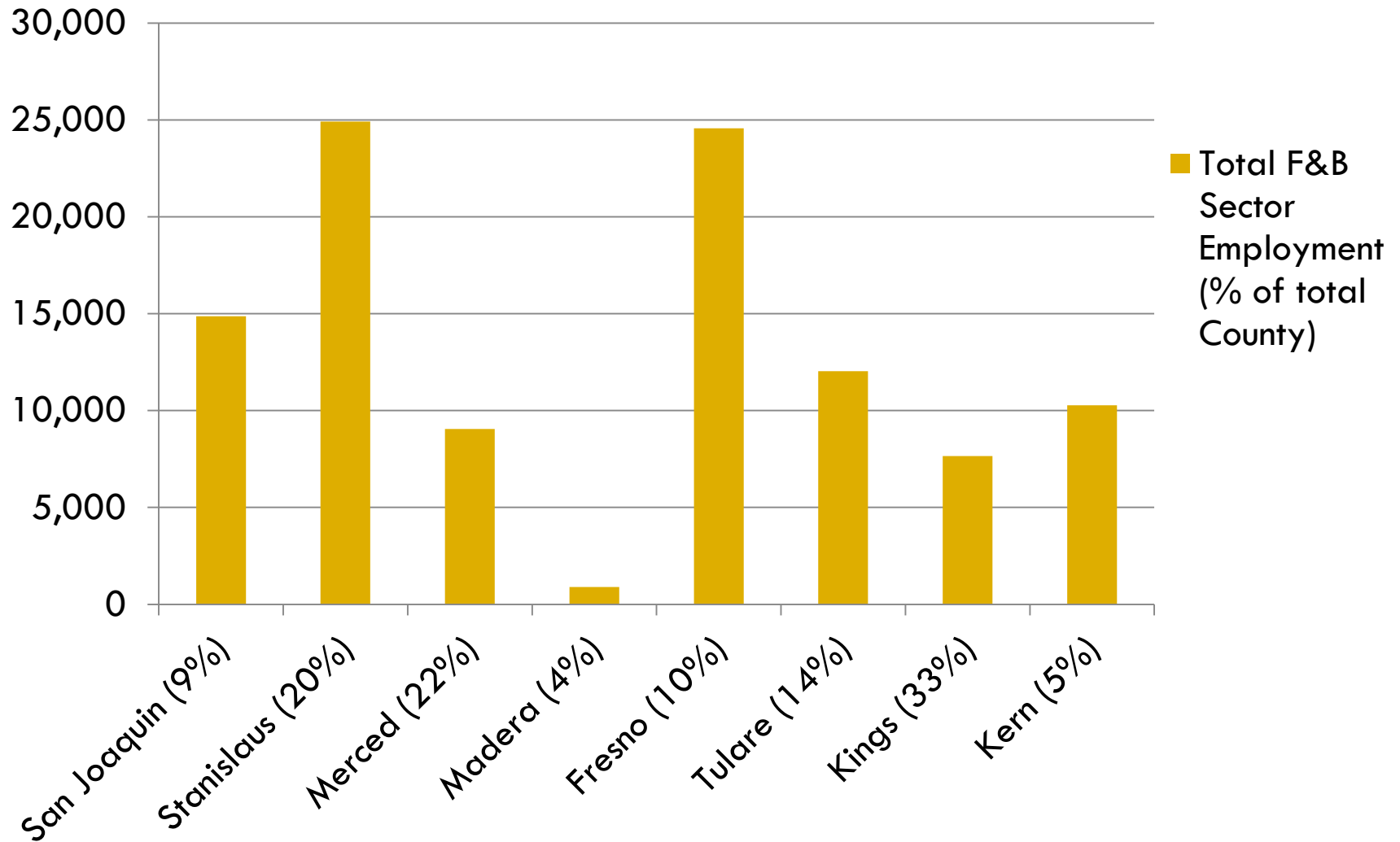
Key Economic Impacts

SJV Food & Beverage Processing Sector

Employment

- ❑ 54,896 Direct Employment
- ❑ 49,384 Additional Employment
 - through indirect and induced impacts
- ❑ 104,277 Total Employment Contribution
- ❑ Employment Multiplier of 1.9

Sector Employment By County



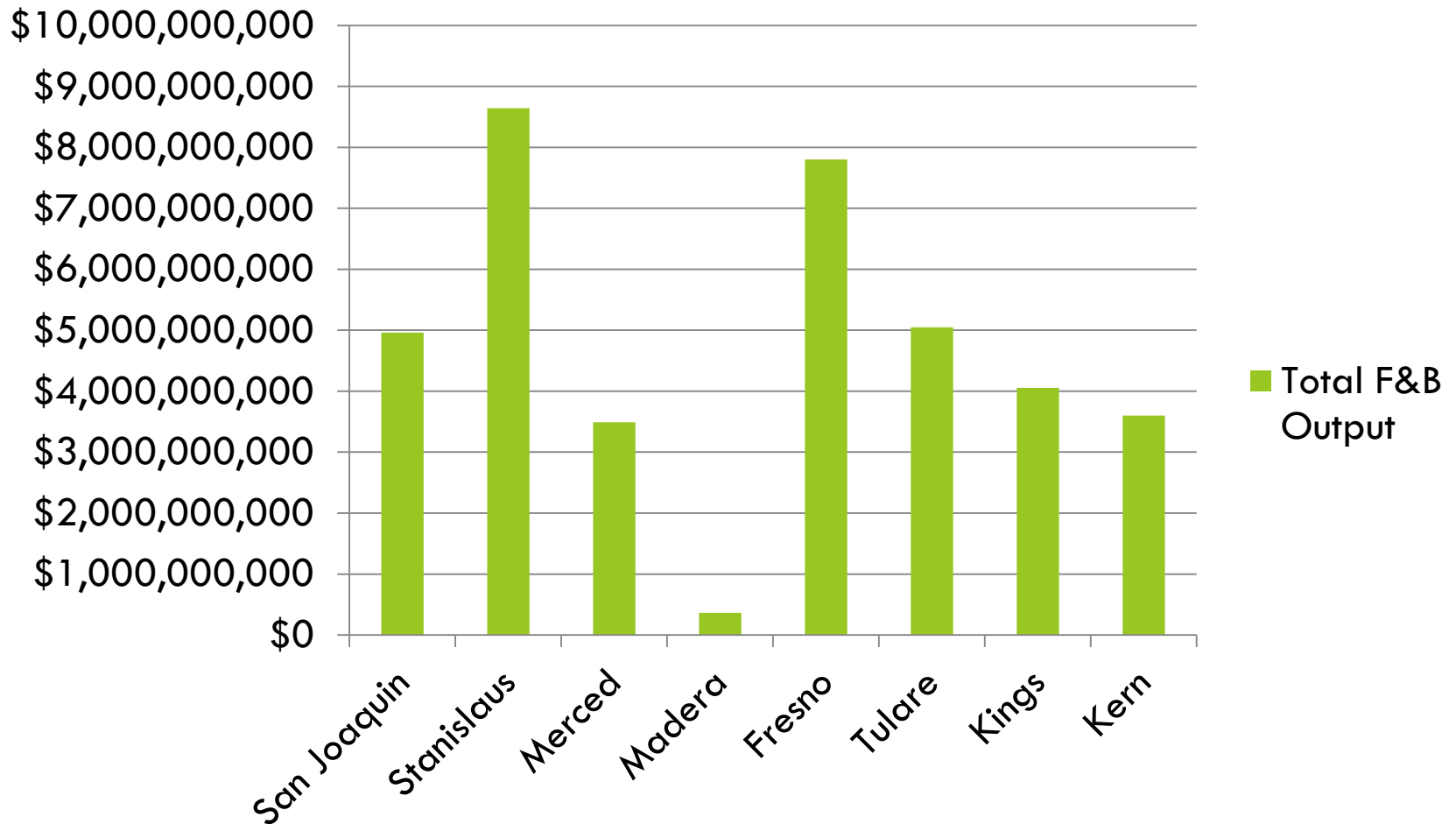
Key Economic Impacts

SJV Food & Beverage Processing Sector

Output

- ❑ \$30,187,458,000 Direct Output
- ❑ \$7.8 Billion in Additional Output
 - through indirect and induced impacts
- ❑ \$37.9 Billion Total Sector Output
- ❑ Output Multiplier of 1.26

Sector Total Output by County



Federal, State & Local Tax Impacts

SJV F&B Sector Generates Additional Taxes

\$38,000 Federal Taxes per million dollars of output

\$29,000 State & Local Taxes per million dollars of output

F&B Sector of SJV Generates an Additional

\$114 million of Federal Taxes

\$87 million of State and Local Taxes

Staying Competitive in a Global Economy



- Increase of Agricultural Production
- Continual Process Improvement
- Advanced Technologies
- Investment in Research & Development
- Innovation of New Products
- Adoption of Sustainability Measures

Sector Challenges



- General Business Regulatory Climate
- Water Policy, Supply & Quality
- Air Regulations
- Energy & Climate Change Policy
- Transportation Issues
- Infrastructure Needs
- Limited Skilled Workforce

Sector Solutions



Collaborate

- ▣ Advocate
- ▣ Educate
- ▣ Participate

THANK YOU

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